

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1102-01
Bill No.: HB 493
Subject: Engineers, Licenses-Motor Vehicle, Motor Vehicles, Revenue Dept.
Type: Original
Date: February 28, 2003

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Highway	(\$7,269)	\$5,125	\$5,125
Total Estimated Net Effect on <u>Other</u> State Funds	(\$7,269)	\$5,125	\$5,125

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2004	FY 2005	FY 2006
Local Government	\$1,564	\$1,875	\$1,875

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Transportation** assume this proposal would have no fiscal impact on their agency.

Officials with the **Department of Revenue (DOR) Division of Motor Vehicle and Drivers Bureau (DVSB)** assume this proposal could have fiscal impact on their agency. The DVSB, with information from the Missouri Society of Professional Engineers, indicates that approximately 500 of these specialty plates could be issued. There is a \$15 application fee for this plate.

FY 04 (10 months) Income

417 plates issued* \$15 plate fee \$6,255

FY 05 Income

500 plates issued* \$15 plate fee \$7,500

FY 06 Income

500 plates issued* \$15 plate fee \$7,500

ASSUMPTION (continued)

According to the Missouri Constitution, this revenue is to be dispersed in the following manner:

State Road Fund	75%
Cities	15%
Counties	10%

DOR-DVSB assumes there could be cost for procedures, mailings, plates, tabs, storage at the State Data Center and a new plate design fee.

Due to the volume of plates expected, DOR-DVSB assumes it could incur cost for a Clerk Typist I to work 40 hours of overtime. **Oversight** assumes that DOR could absorb the work load with existing resources.

DOR-DVSB notes that prior to last year specialty plates were developed, designed and provided to DOR by the Missouri Vocational Enterprises. The Missouri Vocational Enterprises recently contracted with a vendor to now provide all Missouri specialty plates. The costs will be shown for all specialty license plate bills accordingly.

This contract requires DOR to pay:

- \$250 new plate design set-up fee (if applicable)
- \$50 per modification for a new plate design (if applicable)
- \$80 per revision to existing plate designs (if applicable)
- \$4.50 per plate for freight shipping to DOR

Officials with **DOR- Information and Technology Bureau (ITB)** assume that implementing this proposal could require 180 hours of overtime programming to modify the special plate reservation program, the renewal pull program for fees and the Uniform Field Office System.

ASSUMPTION (continued)

FY 04 Cost

Form changes and Envelopes	\$493
Plate Design (contractor)	\$250
Postage (500*4.50) and extra for agencies	\$3,376
Plates (500*5.98) and tab cost	\$3,120
Storage at State Data Center	\$500
Programming Salaries	<u>\$4,221</u>
Total	\$11,960

FY 05 Cost

Storage at State Data Center	\$500
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FY 06 Cost

Storage at State Data Center	\$500
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To implement this legislation, DOR could require additional funds. In the past, the programs included in this legislation have been paid for with highway funds. This year, however, highway funds may not be available for this purpose as a result of legislation enacted by the General Assembly in 2000 that limits the use of highway funds.

This limitation is found in Section 226.200.3, RSMo. It places a cap on the highway funding available to state departments other than the Department of Transportation. The total amount of highway funds appropriated to these other state departments (including DOR) cannot exceed the total amount of their fiscal year 2001 highway appropriations. This cap limits the highway funds that will be available for the implementation of this legislation.

If highway funds are not available, then another source of funding must be identified to pay for the cost of implementing this legislation.

This proposal could increase state revenue through plate fees.

<u>FISCAL IMPACT - State Government</u>	FY 2004 (10 Mo.)	FY 2005	FY 2006
HIGHWAY FUND			
<u>Income-Department of Revenue</u>			
License Plate Fee	\$4,691	\$5,625	\$5,625
<u>Cost-Department of Revenue</u>			
Forms and Postage	(\$4,119)	\$0	\$0
Programming salaries	(\$4,221)	\$0	\$0
Storage	(\$500)	(\$500)	(\$500)
Plates and Tabs	<u>(\$3,120)</u>	<u>\$0</u>	<u>\$0</u>
Total Cost-DOR	<u>(\$11,960)</u>	<u>(\$500)</u>	<u>(\$500)</u>
NET ESTIMATED EFFECT ON HIGHWAY FUND	<u>(\$7,269)</u>	<u>\$5,125</u>	<u>\$5,125</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2004 (10 Mo.)	 FY 2005	 FY 2006
LOCAL FUNDS			
<u>Income-Cities</u>			
License Plate Fee	\$938	\$1,125	\$1,125
<u>Income-Counties</u>			
License Plate Fee	<u>\$626</u>	<u>\$750</u>	<u>\$750</u>
NET ESTIMATED EFFECT ON LOCAL FUNDS	<u>\$1,564</u>	<u>\$1,875</u>	<u>\$1,875</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This proposal could allow members of the Missouri Society of Professional Engineers to obtain a license plate bearing the organization's emblem. The members would pay a \$15 fee to DOR and pay an emblem usage fee of \$25 to their organization.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
Department of Transportation



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